



**STANISLAUS LAFCO
LOCAL AGENCY FORMATION COMMISSION**

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Chair Terry Withrow, County Member
Vice Chair Richard O'Brien, City Member
Amy Bublak, City Member
Vito Chiesa, County Member
Ken Lane, Public Member
Javier Lopez, Alternate City Member
Mani Grewal, Alternate County Member
Bill Berryhill, Alternate Public Member

AGENDA
Wednesday, April 27, 2022
6:00 P.M.
Joint Chambers—Basement Level
1010 10th Street, Modesto, California 95354

- Members of the public may attend this meeting in person.
- You can also observe the live stream of the LAFCO meeting at:
<http://www.stancounty.com/sclive/>
- In addition, LAFCO meetings are broadcast live on local cable television. A list of cable channels is available at the following website:
<http://www.stancounty.com/planning/broadcasting.shtm>

1. CALL TO ORDER

- A. Pledge of Allegiance to the Flag.
- B. Introduction of Commissioners and Staff.

2. PUBLIC COMMENT PERIOD

This is the period in which persons may comment on items that are not listed on the regular agenda. No action will be taken by the Commission as a result of any item presented during the public comment period.

3. APPROVAL OF MINUTES

- A. Minutes of the March 23, 2022 Meeting.

4. CORRESPONDENCE

No correspondence addressed to the Commission, individual Commissioners or staff will be accepted and/or considered unless it has been signed by the author, or sufficiently identifies the person or persons responsible for its creation and submittal.

- A. Specific Correspondence.
- B. Informational Correspondence.
- C. "In the News."

5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

6. CONSENT ITEM

A. **MUNICIPAL SERVICE REVIEW NO. 2022-02 AND SPHERE OF INFLUENCE UPDATE NO. 2022-02 – KNIGHTS FERRY COMMUNITY SERVICES DISTRICT**

The Commission will consider the adoption of a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Knights Ferry Community Services District. This item is exempt from the California Environmental Quality Act (CEQA) review pursuant to sections 15306 and 15061(b)(3). (Staff Recommendation: Approve the update and adopt Resolution No. 2022-04.)

7. PUBLIC HEARING

A. **PROPOSED LAFCO BUDGET FOR FISCAL YEAR (FY) 2022-2023.** The Commission will consider the adoption of the proposed LAFCO budget consistent with Government Code Sections 56380 and 56381. (Staff Recommendation: Approve the Proposed Budget and adopt Resolution No. 2022-05.)

8. OTHER BUSINESS

None.

9. COMMISSIONER COMMENTS

Commission Members may provide comments regarding LAFCO matters.

10. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

The Commission Chair may announce additional matters regarding LAFCO matters.

11. EXECUTIVE OFFICER'S REPORT

The Commission will receive a verbal report from the Executive Officer regarding current staff activities.

A. On the Horizon.

12. ADJOURNMENT

A. Set the next meeting date of the Commission for May 25, 2022.

B. Adjournment.

LAFCO Disclosure Requirements

Disclosure of Campaign Contributions: If you wish to participate in a LAFCO proceeding, you are prohibited from making a campaign contribution of more than \$250 to any commissioner or alternate. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until three months after a final decision is rendered by LAFCO. No commissioner or alternate may solicit or accept a campaign contribution of more than \$250 from you or your agent during this period if the commissioner or alternate knows, or has reason to know, that you will participate in the proceedings. If you or your agent have made a contribution of more than \$250 to any commissioner or alternate during the twelve (12) months preceding the decision, that commissioner or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the commissioner or alternate returns the campaign contribution within thirty (30) days of learning both about the contribution and the fact that you are a participant in the proceedings.

Lobbying Disclosure: Any person or group lobbying the Commission or the Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. Any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them.

Disclosure of Political Expenditures and Contributions Regarding LAFCO Proceedings: If the proponents or opponents of a LAFCO proposal spend \$1,000 with respect to that proposal, they must report their contributions of \$100 or more and all of their expenditures under the rules of the Political Reform Act for local initiative measures to the LAFCO Office.

LAFCO Action in Court: All persons are invited to testify and submit written comments to the Commission. If you challenge a LAFCO action in court, you may be limited to issues raised at the public hearing or submitted as written comments prior to the close of the public hearing. All written materials received by staff 24 hours before the hearing will be distributed to the Commission.

Reasonable Accommodations: In compliance with the Americans with Disabilities Act, hearing devices are available for public use. If hearing devices are needed, please contact the LAFCO Clerk at 525-7660. Notification 24 hours prior to the meeting will enable the Clerk to make arrangements.

Alternative Formats: If requested, the agenda will be made available in alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC 12132) and the Federal rules and regulations adopted in implementation thereof.

Notice Regarding Non-English Speakers: Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedure Section 185 which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the Local Agency Formation Commission shall be in English and anyone wishing to address the Commission is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.



STANISLAUS LOCAL AGENCY FORMATION COMMISSION

MINUTES

March 23, 2022

1. CALL TO ORDER

Chair Withrow called the meeting to order at 6:00 p.m.

- A. Pledge of Allegiance to Flag. Chair Withrow led in the pledge of allegiance to the flag.
- B. Introduction of Commissioners and Staff. Chair Withrow led in the introduction of the Commissioners and Staff.

Commissioners Present: Terry Withrow, Chair, County Member
Richard O'Brien, Vice-Chair, City Member
Amy Bublak, City Member
Ken Lane, Public Member
Bill Berryhill, Alternate Public Member

Commissioners Absent: Vito Chiesa, County Member
Mani Grewal, Alternate County Member
Javier Lopez, Alternate City Member

Staff Present: Sara Lytle-Pinhey, Executive Officer
Javier Camarena, Assistant Executive Officer
Jennifer Vieira, Commission Clerk
Robert J. Taro, LAFCO Counsel

2. PUBLIC COMMENT

Karen Conrotto, Dan Whetstone, Jami Aggers and Barney Aggers and all spoke regarding their concerns about the City of Riverbank's River Walk Specific Plan proposal.

3. APPROVAL OF MINUTES

- A. Minutes of the January 26, 2022 Meeting.

Motion by Commissioner Bublak, seconded by Commissioner Lane and carried with a 4-0 vote to approve the Minutes of the January 26, 2022 meeting by the following:

Ayes: Commissioners: Bublak, Lane, O'Brien and Withrow
Noes: Commissioners: None
Ineligible: Commissioners: Berryhill
Absent: Commissioners: Chiesa, Grewal and Lopez
Abstention: Commissioners: None

4. CORRESPONDENCE

- A. Specific Correspondence.
 - 1. Email regarding Item 7B - Fairview Village No. 2 Reorg. from Denny Jackman, dated March 18, 2022.
- B. Informational Correspondence.
 - 1. CALAFCO Quarterly – February 2022.
- C. “In the News.”

5. DECLARATION OF CONFLICTS AND DISQUALIFICATIONS

None.

6. CONSENT ITEMS

- A. **LEGISLATIVE UPDATE AND POSITION LETTERS** – (Staff Recommendation: Accept the update and authorize Executive Officer to submit position letters.)

Motion by Commissioner Lane, seconded by Commissioner O’Brien, and carried with a 4-0 vote to authorize the Executive Officer to submit position letters, by the following vote:

*Ayes: Commissioners: Bublak, Lane, O’Brien and Withrow
Noes: Commissioners: None
Ineligible: Commissioners: Berryhill
Absent: Commissioners: Chiesa, Grewal and Lopez
Abstention: Commissioners: None*

7. PUBLIC HEARING

- A. **LAFCO APPLICATION NO. 2022-01, MUNICIPAL SERVICE REVIEW NO. 2022-01, & SOI UPDATE NO. 2022-01 – ACTIVATION OF LATENT POWERS (SEWER SERVICE) FOR THE MONTEREY PARK TRACT COMMUNITY SERVICES DISTRICT – Requesting continuance to May 25, 2022** - A request by the Monterey Park Tract Community Services District to provide sewer services within the existing boundaries of the 30± acre District. Currently the District is only authorized to provide water services. The District includes the rural subdivision known as the Monterey Park Tract and is located one mile west of the West Monte Vista Avenue and Crows Landing Road intersection. An updated Municipal Service Review and Sphere of Influence will also be considered for the proposal. (Staff Recommendation: Approve continuance of proposal to May 25, 2022.)

Sara Lytle-Pinhey, Executive Officer, presented the item with a recommendation of continuance for the proposal to May 25, 2022.

Chair Withrow opened the item up for Public Comment at 6:09 p.m.

There was none.

Chair Withrow closed the Public Hearing at 6:09 p.m.

Motion by Commissioner O'Brien, seconded by Commissioner Bublak and carried with a 4-0 vote to approve the continuance to May 25, 2022, by the following vote:

Ayes: Commissioners: Bublak, Lane, O'Brien and Withrow
Noes: Commissioners: None
Ineligible: Commissioners: Berryhill
Absent: Commissioners: Chiesa, Grewal and Lopez
Abstention: Commissioners: None

- B. **LAFCO APPLICATION NO. 2022-02 – FAIRVIEW VILLAGE NO. 2 REORGANIZATION TO THE CITY OF MODESTO:** The City of Modesto has requested to annex approximately 178 acres located south of the Tuolumne River, east of Carpenter Road, and north of Whitmore Avenue, including adjacent road right-of-way. The request will also simultaneously detach the area from the Burbank-Paradise and Westport Fire Protection Districts. The annexation is within the City's Sphere of Influence and is meant to accommodate new residential development and a commercial area within the Fairview Village Specific Plan area. (Staff Recommendation: Adopt Resolution No. 2022-04, approving the application.)

Javier Camarena, Assistant Executive Officer, presented the item with a recommendation of approving the application.

Steve Mitchell with the City of Modesto answered questions from the Commission.

Chair Withrow opened the item up for Public Comment at 6:24 p.m.

There was none.

Chair Withrow closed the Public Hearing at 6:24 p.m.

Motion by Commissioner O'Brien, seconded by Commissioner Lane and carried with a 4-0 vote to adopt Resolution No. 2022-04, approving the application, by the following vote:

Ayes: Commissioners: Bublak, Lane, O'Brien and Withrow
Noes: Commissioners: None
Ineligible: Commissioners: Berryhill
Absent: Commissioners: Chiesa, Grewal and Lopez
Abstention: Commissioners: None

8. OTHER BUSINESS

None.

9. COMMISSIONER COMMENTS

None.

10. ADDITIONAL MATTERS AT THE DISCRETION OF THE CHAIRPERSON

None.

11. EXECUTIVE OFFICER'S REPORT

A. On the Horizon. The Executive Officer informed the Commission of the following:

- The Executive Officer met with the Civil Grand Jury to provide an annual LAFCO 101 training.
- Staff would like to remind Commissioners that your 700 forms are due by April 1.
- For the April 27th meeting, the Commission will hear the Proposed LAFCO budget.
- For the May 25th meeting, the Commission will hear the Final LAFCO budget and the continued item for the Monterey Park Tract Community Services District.

12. ADJOURNMENT

A. Chair Withrow adjourned the meeting at 6:33 p.m.

NOT YET APPROVED

Sara Lytle-Pinhey, Executive Officer

IN THE NEWS

Newspaper Articles

- The Modesto Bee, March 31, 2022, “Newsom announces ‘historic’ treaty on river flows. Why MID and TID aren’t celebrating.”
- Patterson Irrigator, March 31, 2022, “Unmitigated residential growth impacts school district.”
- Ceres Courier, April 6, 2022, “TID cuts water allotment due to drought.”
- Turlock Journal, April 8, 2022, “Turlock water project moving along.”
- The Modesto Bee, April 11, 2022, “People who will live near planned Stanislaus expressway say they aren’t getting enough money.”
- Oakdale Leader, April 13, 2022, “OID General Manager preps for retirement.”
- The Modesto Bee, April 14, 2022, “Riverbank names city manager, increases trash bills, firms up Cheese and Wine Festival.”
- The Modesto Bee, April 19, 2022, “9,000 homes planned in Patterson. Schools, city clash over how to pay for their impact.”

IN THE NEWS – The Modesto Bee, March 31, 2022

Newsom announces ‘historic’ treaty on river flows. Why MID and TID aren’t celebrating

BY JOHN HOLLAND

Gov. Gavin Newsom announced a “historic” agreement on Central Valley river flows Tuesday, but key irrigation districts in Stanislaus County were not parties to it.

The agreement spells out \$2.6 billion in spending over eight years on efforts to protect salmon and other fish. Cities and irrigation districts would sacrifice some of their supplies in the Sacramento and San Joaquin rivers and their tributaries.

“I am thankful to our partners on this historic agreement and look forward to continued collaboration as we adapt for the future,” Newsom said in a news release.

The Modesto and Turlock irrigation districts, which divert the Tuolumne River, said in a joint email that they were not involved in the negotiations. And they said they would not have consented to the pact in any case because it would take too much water from current uses.

“Despite the harrowing challenges of a third year of drought, an additional 186,688 acre-feet would have been released from the Tuolumne River over the last two years if the (agreement) was in place, accounting for a 71% increase over current regulatory conditions,” the districts said.

MID and TID have pushed for several years for a Tuolumne agreement that would modestly increase releases from Don Pedro Reservoir for lower-river fish. They said Tuesday that they remain open to discussions with the state. The districts propose nonflow measures for fish, such as restoring spawning gravel.

The Oakdale Irrigation District has done the same on the Stanislaus River. General Manager Steve Knell said by email that he was not aware of the Valleywide negotiations until very recently.

Part of the Tuolumne goes to a San Francisco-owned system serving much of the Bay Area. That city’s Public Utilities Commission remains in talks with the state, spokesman John Coté said.

LESS WATER FOR RICE AND L.A.

The 34-page memorandum of understanding includes the agencies supplying water for Sacramento Valley’s rice farmers, the city of Sacramento and its suburbs, most of urban Southern California and the Westlands Water District, the largest farm-water agency in the San Joaquin Valley.

“We actually have a critical mass of players — water users, federal agencies, state agencies — that are going to move forward,” said Wade Crowfoot, Newsom’s natural resources secretary. “We’re not waiting any longer.”

IN THE NEWS – The Modesto Bee, March 31, 2022 (Continued Page 2)

Last fall, the administration sent a warning to MID, TID and other holdouts: Without their cooperation, the State Water Resources Control Board would go ahead with a plan that would seize considerably more of their water than what's called for in the voluntary agreement.

"We anticipate that," said Jared Blumenfeld, secretary of environmental protection. "It's really important that we have a regime to make them provide (river) flows, because otherwise, if we didn't, it would put an undue burden, an unfair burden on the folks signing the (voluntary agreements)."

'FAR LESS THAN HALF OF WHAT'S NEEDED'

Environmentalists have been objecting to the voluntary program for years, saying Newsom's compromise doesn't go nearly far enough to protect the fish. Instead, they've been calling on the state board to simply order farms and cities to leave more water in the rivers.

The added water for the environment "is far less than half of what's needed," said Doug Obegi, a lawyer with the Natural Resources Defense Council. He scoffed at the idea that the voluntary plan would solve California's litigious water climate, saying, "How do you bring peace to a process when you exclude from the room" environmentalists and other key players?

The document that state officials unveiled Tuesday isn't a legally binding settlement, but officials said it spells out the parameters of an enforceable plan.

Under the plan, farmers and cities would leave up to 824,000 acre-feet of additional water in the rivers that flow into the Sacramento-San Joaquin Delta during certain months of the year.

The state and federal governments would pay for the bulk of the plan, though local water agencies would contribute more than \$660 million. The funds will go to restore nearly 30,000 acres of habitat. Some of the funds will reimburse Sacramento Valley rice farmers to leave their fields unplanted so more water stays in the Sacramento River.

State officials said the proposal won't be implemented for at least two years as it winds its way through the regulatory process. But they insist it's still faster than if the water board had unilaterally acted on its own. That inevitably would have triggered an avalanche of lawsuits requiring close to a decade to resolve.

ALMOST ALL WETLANDS ARE GONE

The dams that ring the Valley cut migratory fish off from their spawning grounds, more than 90% of the state's wetlands have been plowed or paved over, and at various times of year more than half of the river flow is diverted for human uses.

Chuck Bonham, the director of the Department of Fish and Wildlife, said Tuesday the settlement proposal is the best way to save what little habitat is left.

"We need to have done this stuff a decade ago," he said. "California has more imperiled species than any other state in the union. I don't want to fight about this stuff anymore. It's going burn out the clock."

Sacramento Bee staff writers Ryan Sabalow and Dale Kasler contributed to this report.

Unmitigated residential growth impacts school district

BY CEE CEE HOWELL

A mitigation agreement established between the Villages of Patterson project developers Joe Hollowell and Bruce Harrington, and Patterson Joint Unified School District in 2006 was recently described by Assistant Superintendent Jeff Menge as “well-defined” and “collaborative.”

However, the district’s mitigation agreement is just one small, significantly consequential component of what has become a contentious and storied evolution of residential development in Patterson.

Immediately after Menge complimented the original mitigation agreement during a school board workshop, he informed attendees that three or four current developers of the project have not followed the agreement. “Several developers have since, and continue to, stray from the original agreement.”

The mitigation agreement calls for each developer to pay building fees up front to facilitate the district’s ability to increase infrastructure concurrently, as needed, to house the increased student population. Without naming any of the developers Menge told attendees of a growth workshop, “So far, one developer did begin construction on his model homes without prepayment of any of his lots, and never fully paid his obligation until one of the builders picked up his tab. A second developer has ignored the agreement entirely and has been building homes without any prepayment of any kind. This same developer is also demanding the district reduce our fees as promised in the agreement for higher density homes, because he says the profits won’t be high enough.”

Due to the housing market crash and Great Recession that occurred soon after the development was approved, the district chose to delay a new school buildout. The addition of a new wing at Walnut Grove provided housing for incoming students while allowing “them [developers] get the development off the ground.”

According to Menge, in an effort to show goodwill to the developers with hopes that future mitigation agreements would be easily agreed upon, the district also made a concession with developers that allowed them to pay a portion of the fees upfront rather than all of them as stipulated in the mitigation agreement. According to the district, those concessions have not been reciprocated.

Menge did not name any of the developers but told those attending one of the board’s growth workshops that “So far, one developer did begin construction on his model homes without prepayment of any of his lots, and never fully paid his obligation until one of the builders picked up his tab. A second developer has ignored the agreement entirely and has been building homes without any prepayment of any kind. This same developer is also demanding the district reduce our fees as promised in the agreement for higher density homes, because he says the profits won’t be high enough.”

Compounding the district’s facilities needs brought on by developers not following the mitigation agreement is the city’s decision to delay the \$12,000,000 payment due to the district.

IN THE NEWS – Patterson Irrigator, March 31, 2022 (Continued Page 2)

In 2018 the City Council, acting as the board of the West Patterson Financing Authority (WFPA), formed Communities Facilities District 2018-01 (CFD - often called Mello Roos). The WFPA issues bonds through individual CFDs that allow the city and developers to leverage the cost of certain infrastructure and public improvements within a development project.

Within the city's Villages of Patterson development agreement, CFD 2018-01 is to provide \$12 million dollars to PJUSD to offset the costs associated with project students. Specifically, the development agreement approved in 2006 lists the school district as an estimated first priority.

In September 2021 the city first released 6.5 million dollars in bonds to primarily expand the city's wastewater treatment plant.

In December of 2021 the council voted to approve the second bond issuance to reimburse land owners [developers] for certain "eligible improvements and facilities."

According to Resolution 2021-03, "Upon the issuance of two hundred (200) new building permits in the Villages commencing after June 1, 2021, or as soon as the Board may issue a second series of bonds through CFD 2018-1 sufficient to generate five million dollars (\$5 million) in bond proceeds, the Finance Director shall bring a Resolution of Issuance to the Board for the Board to authorize a second bond issuance in connection with CFD 2018-1."

These facility and fiscal issues have so far been circumstances that the district has been able to navigate.

By redirecting all sixth grade students from Walnut Grove and Creekside Middle back to their home elementary schools, and further consolidating all seventh and eighth grade students from Walnut Grove into Creekside the district was able to continue serving those students with minimal to moderate impact to students.

Improvements at PHS that include the new science building and theater, which will also house additional classrooms, were funded by a community supported bond. The expansion will delay the campus' need for portable units as it is expected to house approximately 2,600 students before the new high school is built on the Zacharias Property.

However, impacts from the Villages of Patterson project are not the only ones the district faces.

With three other planned residential developments currently approved, and one already underway, the district faces significant impact that could have, and they say should have, been mitigated long before ground was broken.

BALDWIN RANCH ZACHARIAS MASTER PLAN

The city faced great scrutiny when it first considered rezoning part of the West Patterson Business Park from light industrial to residential/commercial in November 2020.

Despite the concerns voiced by the county supervisors' and planning offices, residents, the superintendent's office, and many other vested parties the request was approved and a short time later plans for residential development were underway.

The rezoned areas have since been included in the Baldwin Ranch Zacharias Master Plan and consist of three separate residential developments.

IN THE NEWS – Patterson Irrigator, March 31, 2022 (Continued Page 3)

Originally the Baldwin Ranch Master Plan was a development project south of the city's corp yard. The plan included 305 residences adding a projection of 191 students. That plan was amended to include the Baldwin Ranch North project that is already under construction north of the city's corp yard on Baldwin Road, near Calvinson Parkway.

According to the district, city and county officials had, at best, not received all information pertinent to the project prior to approval. At worst, the district has implied that officials were purposely misled.

Former Director of Community Development David James and the applicant developer Joe Hollowell told planning commission members and council members that the district had been well involved with the project plans.

Statements of "robust communication," and being "committed to working with the school district," were said by the two men but the district denies their claims in practice. The superintendent's office has repeatedly asserted during public comments that the developer and city staff did not include the district in the planning of these developments. In fact, the district claims that their requests to be included in development meetings were ignored.

Menge previously told the board, "Our district submitted a written response to the draft Environmental Impact Report addressed to Gruber Consultants on Nov 12, 2020, expressing our concerns about the impact the Baldwin Ranch project would have on our schools when we were made aware of this project. However, this information was not submitted to either the planning commission or the city council and was not included in the final draft of the report."

The district has since sent letters regarding this specific claim to the County Board of Supervisors Chairman Terry Withrow as well as Patterson's Mayor Pro-Tem Dominic Farinha.

When complete, Baldwin Ranch North will result in a population increase of about 280 students, leaving the district to figure out how to accommodate approximately 470 total students from both projects with no mitigation plans by the developer beyond state mandated impact fees that the district says, won't cover the cost of a wing of classrooms.

Hollowell, who was in receipt of a signed development agreement a week after the board of supervisors approved the plan, has told stakeholders that students generated by the project will go to Apricot Valley. An elementary school that is nearly at capacity with no room to build out.

The development agreement for the Zacharias project is expected to be presented to council for approval in approximately two months.

In February, Menge told stakeholders that discussions with developers were ongoing and that they were working to come up with a mitigation agreement. However, Menge told those gathered for a recent growth workshop that discussions with one of the developers were not going as well as they had been.

Once again not publicly naming the developer involved, Menge told stakeholders, "In recent conversations with one of the developers of Zacharias it was explained to the district that the impact to schools, and indirectly the community, 'isn't their problem.' They further explained they [developer] shouldn't have to meet with us, and they felt they should only have to pay state mandated minimum fees, and they felt a little like the school district is being greedy in our requests."

IN THE NEWS – Patterson Irrigator, March 31, 2022 (Continued Page 4)

A mitigation agreement that meets the long-term needs of a district to the benefit of a community is more complex than a developer writing a check. A robust mitigation agreement will cover a range of concerns that includes timing of fees, pacing of construction, and appropriate school sites decided upon with input from the district following state guidelines.

At full build-out, the Zacharias project is expected to generate 3,000 students – increasing the district’s total population by half of the current total.

In a statement from February, Superintendent Phil Alfano said, “I want to make it clear that we are not against development, but we also don’t want to go back to the days where families were forced onto year round scheduling and shoddy portables to house students impacted by poorly mitigated residential development.” According to the district, that scenario is now unavoidable.

TID cuts water allotment due to drought

BY KRISTINA HACKER

“Pray for Rain” signs may start popping up once again around Stanislaus County with the continuation of extreme drought conditions.

California is experiencing one of the driest starts to spring in decades, data showed Friday, and absent a heavy dose of April and May showers the drought will deepen and that could lead to stricter rules on water use and another devastating wildfire season.

New readings showed the water in California mountain snowpack sat at 38 percent of average. That’s the lowest mark since the end of the last drought in 2015; only twice since 1988 has the level been lower.

State officials highlighted the severity of the dismal water numbers as they stood at a snow measuring station south of Lake Tahoe, where the landscape included more grass than snow. At the deepest point measured there, there was just 2.5 inches (6.35 centimeters) of snow.

“You need no more evidence than standing here on this very dry landscape to understand some of the challenges we’re facing here in California,” said Karla Nemeth, director of the California Department of Water Resources. “All Californians need to do their part.”

Nearly all of California and much of the U.S. West is in severe to extreme drought, according to the U.S. Drought Monitor. Last July, Gov. Gavin Newsom asked people to cut their water use by 15 percent compared to 2020 levels, but so far consumption is down just six percent. State reservoirs are filled far below normal levels.

About a third of California’s water supply comes from melted snow that trickles into rivers and reservoirs. April 1 is when the snowpack typically is at its peak and the date is used as a benchmark to predict the state’s water supply in the drier, hotter spring and summer months. The next few weeks will be critical to understanding how much of the melting snow is ending up in state reservoirs instead of evaporating or seeping into parched ground.

The nearly 11 inches (28 centimeters) worth of water sitting in snow in the Sierra Nevada along California’s eastern edge is the lowest reading since the depth of the last drought seven years ago, when California ended winter with just five percent of the normal water levels in the mountains, according to the department.

The numbers mark a disappointing end to California’s winter, which began with heavy December storms that put the snowpack at 160 percent of the average. But there has been little precipitation since Jan. 1.

Ceres’ water year is looking just as bleak as the rest of the state’s.

“Last year around this time is when we started to see the losses in the snowpack and we pretty much ran out of our snowpack around the middle of May,” said TID hydrologist Olivia Cramer during the March 22 TID Board meeting. “Now we’re sitting at a lower value and we’re already seeing those losses. If we’re tracking at a similar rate of losses as we did last year, we could

IN THE NEWS – Ceres Courier, April 6, 2022 (Continued Page 2)

see snowpack running out at the beginning of May or the end of April. It's really significant as we're looking at Don Pedro to when we can see peak inflows coming in. In a really good water year, you're looking at June/July you get your peak runoff. This year we're looking at end of April, beginning of May."

Due to the lack of precipitation and windy conditions, the Turlock Irrigation District started its irrigation season early. A planned April 7 start was moved to March 28. TID directors voted to move up the start date, but lower the anticipated 28-inch irrigation allotment to 27 inches and keep the season end date (for the time being) at Oct. 12.

Even with the lower allotment, TID irrigation customers are better off than many other areas around the region.

Federal officials announced Friday that municipal and industrial users that rely on water from the Central Valley Project will get less than planned. About 70 of the project's 270 contractors receive water for household and business use in the agricultural region that includes the greater Sacramento and San Francisco Bay Area. They had been told to expect 25 percent of their requested supply earlier this year, but the U.S. Bureau of Reclamation now says they will only get what's needed for critical activities such as drinking and bathing. A lot of urban water use goes to outdoor landscaping.

Farmers who rely on water from the federal project were told earlier this year not to expect any water.

Turlock water project moving along

BY KRISTINA HACKER

Crews were out working along Berkeley and Taylor roads this week fitting pipeline that will bring the residents of Turlock a new source of drinking water, hopefully, by next year.

Through the Regional Surface Water Supply Project, Tuolumne River water will be treated at a new state-of-the-art water treatment plant to provide Ceres and Turlock with clean, safe, reliable drinking water. The City of Turlock has been working for 30 years to secure this alternate drinking source, as its current drinking water supply is 100% groundwater — and dwindling.

Studies for the project began in 2016, with design taking place from 2018 to 2021. Last year, construction on the project began. The transmission pipeline to Turlock, which will transport 30 million gallons of water per day from Fox Grove to a storage tank on Quincy Road, is nearly complete.

In December 2017, the City of Turlock adopted a new water rate structure beginning in 2018 and increasing every year for five years to help service current groundwater wells and fund the new \$220 million surface water treatment project. Turlock and Ceres borrowed \$184.9 million for the plant after receiving \$35 million in grant funds, but borrowing from the State Revolving Fund at 1.2% interest rate has saved the project \$100 million it would have incurred through municipal bond financing.

The new water rate schedule was projected to see a single-family bill at \$36 a month for water in 2017 rise to \$42 a month starting in March 2018, \$49 a month in 2019, \$57 in 2020, \$67 in 2021 and \$79 in 2022. The new rate includes a \$25 month service fee for the typical single-family home, which covers the cost of securing the water source and delivering it to the customer.

To keep up to date with the water treatment facility's construction, visit www.stanrwa.com.

People who will live near planned Stanislaus expressway say they aren't getting enough money

BY KEN CARLSON

As the process begins to build a four-lane expressway through northern Stanislaus County, some people who will lose their homes to the project say they aren't getting enough money to relocate.

The North County Corridor is a four-lane expressway designed to improve west-to-east traffic flow and relieve growing congestion in Stanislaus County.

But it won't be built without uprooting some people from their homes.

The county began the process of acquiring four properties last week through the eminent domain process if settlements are not reached for right of way.

The county is trying to acquire a one-acre piece on Roselle Avenue, including a 4,800-square-foot home and 1,600-square-foot second home, as well as nine acres of vacant land owned by the same family. The land is needed for a new interchange where the expressway will cross over Roselle Avenue north of Modesto.

In July, the county's right-of-way consultants offered \$1.18 million for the property with the two homes and \$330,000 for the nine acres, based on appraisals of fair market value. The owners have not responded with a counteroffer, a county report said.

Connie Gilbert, one of the owners, told county supervisors at their meeting last week that communication has been poor. The county has not offered nearly enough to buy a comparable home, Gilbert said. Her family has talked to attorneys but hopes to avoid a dispute in court, she added.

"We have talked to several attorneys and don't want to go through that process," Gilbert said. "If it means we have to fight, then we are going to fight."

HOUSING MARKET 'HORRIBLE'

In some cases, the county will need to reach a settlement for expensive real estate with owners who are losing their dream homes. The county is also faced with displacing older people on limited incomes who will have trouble finding a new home in a difficult housing market.

Can Lu, a Vietnam War veteran who was once held as a prisoner, said he and his wife live on fixed incomes and they can't afford a mortgage. A county-hired appraiser said their 2.8-acre residential property on Claribel Road near Terminal Avenue is worth \$375,000.

"The market for homes is horrible," Lu said. "You look (at a home for sale) and two days later it's sold. ... If you can find me a place, I will go."

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The board voted unanimously last week to start the eminent domain process for the Gilbert and Lu properties, and another custom home on Claribel Road, just east of Terminal Avenue, because the county is not close to settlements with the owners.

The county is a partner with Modesto, Riverbank, Oakdale, the Stanislaus Council of Governments, the state and federal government in the 18-mile North County Corridor project, which will run from McHenry Avenue to a connection with Highway 120 six miles east of Oakdale. It will use Kiernan Avenue as a link to Highway 99.

State and federal agencies handled the environmental review but the county is working on building a 3-mile segment from Oakdale Road to Claus Road. The new expressway will veer south from the Claribel and Oakdale Road intersection near Riverbank's Crossroads shopping center and then turn east to parallel Claribel Road to a new intersection at Claus Road.

The plan includes grade separations to take expressway traffic over Roselle Avenue, the Burlington Northern Santa Fe railroad and Terminal Avenue. A realignment of Claribel Road will cut directly across the Lu family property, where the retired couple live in a 1,424-square-foot house.

PHASE AFFECTS DOZENS OF PARCELS

Almost 60 parcels are affected by this construction phase, and of those, the county will likely have to completely acquire 13, a county staff report said.

Before giving approval to start the eminent domain court process for the four parcels last week, county supervisors said there is still room for discussing sales price, relocation assistance through the state and other settlement costs. Approval of the resolution will kick-start the court process so the county can take possession of the properties by spring 2023.

County Public Works Director David Leamon said the county has assured affected property owners they will be reimbursed for getting independent appraisals.

A county report said Lu and his wife, Phuong, did not make a "credible" counteroffer after a meeting with the county's right-of-way consultant last year. The owners were contacted on 10 separate occasions, the report said.

Lu said he speaks four languages and assisted special forces of the U.S. military in Vietnam. Two of their children have served in the military.

Board Chairman Terry Withrow thanked the veteran for his service to the country and the military service of his family members. Withrow promised the county will keep working with Lu and the other property owners to reach a fair agreement.

"We are going to make sure this works and is fair for everyone," Withrow said.

\$1 MILLION OFFERED FOR ANOTHER PROPERTY

The county also initiated the eminent domain process for a 3,138-square-foot home, with a pool, on 2.3 acres on Claribel Road, just east of Terminal Avenue.

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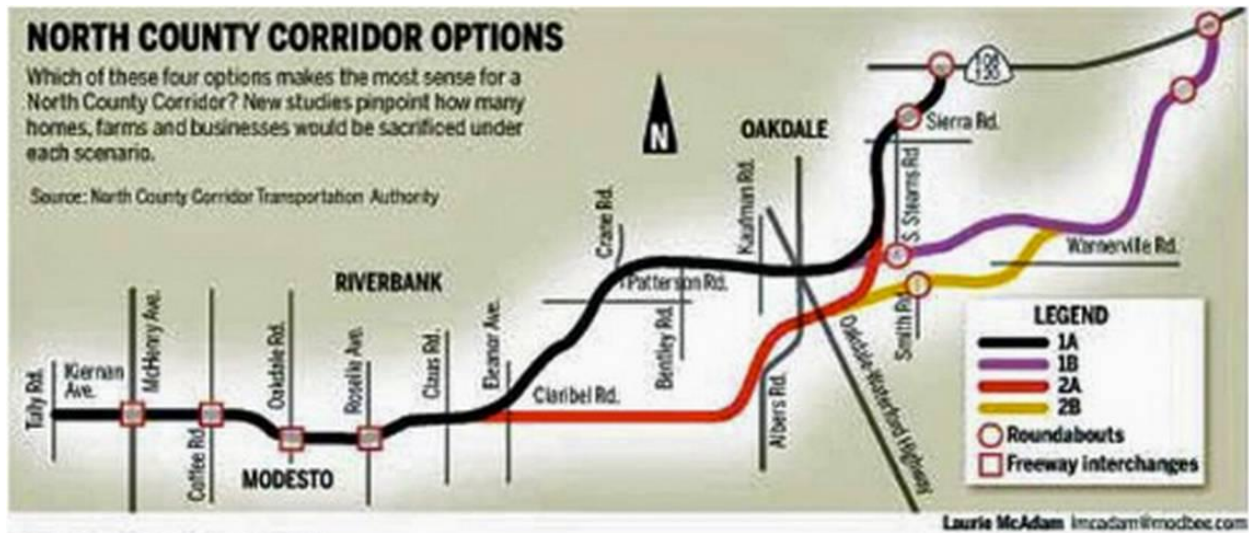
The county’s consultants, Overland Pacific and Cutler, offered \$1 million for the property. After the consultants met with the owners Aug. 8 to review the offer, the owners came back with a counterproposal of \$2,130,000 in December. According to the county, the counteroffer was not based on an appraisal or verified sales in the area.

A county report said a real estate broker informed the consultants he was assisting the owners with drawing up a second counteroffer, but it hasn’t been received.

A representative for the owners told supervisors last week they need more time to find a suitable replacement home.

The funding plan for building the first phase of the expressway includes \$25 million in public facility fees, \$99 million from the Measure L road tax and state grants, and a \$20 million federal grant. The agency partners hope to build the 3-mile segment so it can open to traffic in 2025.

For a digital tour of various segments of the North County Corridor project, go to northcountycorridorphase1.com.



OID General Manager preps for retirement

Oakdale Irrigation District General Manager Steve Knell is retiring from the District at the end of May after serving as GM for the last 20 years.

Knell said, “I’ve been fortunate to have served as OID’s General Manager. There is no better feeling at the end of a long career than to leave a place in better shape than you found it, and we have done that at OID. I say ‘we’ because had it not been for the strong Board of Directors over this period, who had a vision too of making a great district, and who more importantly supported and stood by their convictions, OID would not be as well positioned as it is today.”

Knell came to the area after a 16-year career with the Imperial Irrigation District in Imperial, California and eight years with the USDA’s Soil Conservation Service. Knell’s background and experience brought a progressive era for OID.

Upon Knell’s arrival, he immediately began working with the OID Board and public to develop a strategic plan outlining OID’s framework for the future.

That effort led to the adoption of a Water Resources Plan in 2007 that detailed the rebuilding and modernization of OID’s 100-year old water delivery system, and more importantly how to pay for it.

Using revenues generated from the sale of its surplus water, OID has been able to spend over \$100 million to-date on its rebuilding plan for OID. That commitment has produced a highly modern irrigation system with a high degree of efficiency and reliability for its customers.

Over 20 percent of OID’s irrigation system is now fully automated utilizing some of the best industry technology found on the market. A testament to the success of the upgrades are the numerous visits OID gets each year from other irrigation districts in the Central Valley, Mexico and South America.

OID’s conservation efforts had produced enough additional conserved water by 2011 to allow OID to annex and expand its irrigated agriculture base from 55,000 to 68,000 acres, adding support for the area’s local agricultural heritage.

The enhanced water reliability from the rebuilding of OID has provided customers with significant drought resiliency as proven during the 2014-2016 drought and in this ongoing drought, as evidenced by those around OID facing water shortages.

On the financial side under Knell’s leadership, OID has seen its cash and investments grow from \$14.5 million in 2002 to \$73 million in 2020, all while continuing to modernize and improve customer service to the agricultural industry OID serves.

Knell said, “OID has also be able to attract some of the best water professionals, office, field personnel and construction and maintenance staff one can find in the Central Valley. Collectively, all of these fine people have helped position OID to meet the water challenges of the future.”

IN THE NEWS – Modesto Bee, April 14, 2022

Riverbank names city manager, increases trash bills, firms up Cheese and Wine Festival

BY JOHN HOLLAND

Marisela Garcia is now the full-fledged city manager in Riverbank, where she grew up and has worked in city government for 25 years.

The City Council voted Tuesday night to appoint Garcia after three months as interim city manager.

The council also approved a roughly 50% increase in garbage rates due to a state mandate on yard trimmings and other organic waste. And it hired a company to put on the city's largest annual event, the Riverbank Cheese and Wine Festival, in October.

All three votes were 4-0. Mayor Richard O'Brien was absent.

Garcia has overseen the city staff on an interim basis since Sean Scully left in January to become city manager in Lincoln, Placer County. She will make \$181,033 a year to start under the new three-year contract, with 5% annual raises if the council approves of her work.

"We knew from the beginning that she was overqualified, so it was a no-brainer," Councilwoman Rachel Hernandez said just before the vote.

Garcia has been assistant city manager since 2016 and previously was finance director and administrative services director. She also has worked in recreation.

"I'm really pleased and honored to serve a city council that is so cohesive, that has provided us with the guidance that we need in order to bring our city into the next phase of our growth," Garcia said after the vote.

GARBAGE RATES ARE RISING ALL OVER

Riverbank's new garbage rates will take effect May 1, raising a typical home's bill from \$23.40 to \$35.25 a month. The increases also affect businesses and smaller generators of residential trash.

They will help the city comply with a state mandate to divert at least 75% of organic waste from landfills. Backers say this will reduce methane emissions that contribute to climate change.

Gilton Solid Waste Management asked for the increases as part of its new six-year contract with Riverbank. The company can seek up to 5% in each of the following years to keep up with general inflation.

The state law is prompting a major expansion of the composting already done in many cities. Rate increases are already in place for several other Stanislaus County cities and unincorporated areas.

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The Riverbank council could not have approved the hikes if a majority of affected property owners objected. Only 98 did so during the period required by state law.

CHEESE AND WINE FESTIVAL CARRIES ON

The council agreed to have Simply Divine Events, based in Ripon, put on the Cheese and Wine Festival for a second straight year. It will take place Oct. 8-9 on several downtown blocks.

The 45th annual event will be back to full strength as COVID-19 wanes. It features music, vendors, a carnival, a car show and other attractions, along with the wine and cheese tastings.

The festival was first staged by the Riverbank Chamber of Commerce, then by the Riverbank Rotary Club and later Chris Ricci Presents of Modesto. The city is technically paying \$25,000 to the Ripon company, but it will be reimbursed via fees on festival vendors.

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9,000 new homes planned in Patterson. Schools, city clash over how to pay for their impact

BY EMILY ISAACMAN

The city of Patterson and the Patterson Joint Unified School District each say the other is publicly misrepresenting its actions regarding impacts of residential developments on schools. The dispute stems from one critical issue: how schools are planned and paid for as the city of nearly 24,000 continues to grow.

Patterson could see four projects underway amid a housing shortage in the state and county.

Two housing projects are in progress. One, called Villages of Patterson, was approved in 2006 under different city and school administrations. Another, named Baldwin Ranch North, was confirmed in January after a pause of more than a year for the city to resolve issues with the county.

Two additional projects, known as Baldwin Ranch South and Zacharias, are working toward authorization in the coming months.

Altogether, the projects would add some 9,000 units that school leaders say would nearly double the district's enrollment from about 6,200. They worry they won't be able to collect enough money to finance the new schools they'll need, which they say would lead to overcrowded facilities and widely disliked multitrack year-round school schedules.

Multitrack year-round schedules rotate groups of students with staggered vacations throughout the year to increase capacity by up to one-third.

According to public meetings and interviews with The Bee, the city and school district seem to disagree on: the nature of their interactions, the city's authority to pause approval of a development project until the school district and developer agree on the amount and timing of fees, \$12 million related to housing approved 15 years ago, and the city's overall management of growth.

The school district has made its grievances public. Over the past month and a half, staff have led presentations before the school board on different aspects of school construction and residential development. The school board sent letters to the City Council and the Stanislaus County Board of Supervisors laying out multiple concerns, principally that the Baldwin Ranch North project was "rushed through" over school officials' "strenuous objections."

An ad hoc committee planned a rally before the City Council's most recent meeting April 5, urging the city to work with the school district and force developers to "pay their fair share." (California law sets the dollar amount developers must pay school districts to offset construction costs of new schools for their developments.)

City officials acknowledged the rally in the council meeting that followed. In a period after public comment that was not on the agenda, city attorney Nubia Goldstein said misinformation shared in the community was scaring people. The council is planning its own informational session on residential development but has not announced a date.

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“The city doesn’t have the ability to force the developer to do certain things that ... there seems to be a sentiment that somehow the city can,” Goldstein said.

District and city officials both told The Bee they’re hopeful their relations can improve.

WHAT’S A TYPICAL CITY/SCHOOL DISTRICT RELATIONSHIP?

A city’s role in planning for new schools and its authority to reject development proposals because of impacts on schools vary by jurisdiction, according to responses to questions emailed to the California Department of General Services.

Though a city might facilitate a school district’s negotiations with developers, it’s not required to.

Ideally, a school district and city would work collaboratively to plan their community’s future, said John Affeldt, managing attorney with Public Advocates, a nonprofit law firm in San Francisco. In reality, he said, relationships vary depending on local politics.

WHAT ARE THE ARGUMENTS ABOUT?

PJUSD Assistant Superintendent Jeff Menge has said his biggest request of the city is to include the district early on in its consideration of residential development projects. “We’re not asking the city to advocate for us or to do anything other than to allow us to be at the table,” he said.

City Manager Ken Irwin said government officials have met with school leaders to discuss future development for “weeks, months and years,” according to a statement provided to The Bee on Tuesday.

“I can say affirmatively that the City of Patterson has been working with our local school district regularly and kept school district administration aware of all projects within the City that may impact local schools,” Irwin said in the statement. “The development of adequate school facilities for a growing community is of the utmost importance to the City.”

In the statement, Irwin said “maintaining a solid working relationship” with the district is “critical,” and city staff will continue to work with the district to ensure its concerns are addressed.

In addition to communication, Menge and school district Superintendent Phil Alfano have asked the city to not approve additional developments until the school district can finalize negotiations through a “mitigation agreement.”

“This is within the rights of council if they value our schools and our students above the demands of developers,” Menge said at the council’s April 5 meeting.

California law sets a scheme of fees school districts can charge developers to help offset the costs of constructing schools for new residential developments. The state’s Education Code sets three levels of fees a school district can charge if it meets certain criteria. Fees are levied per square foot of housing.

A mitigation agreement could help the district secure additional provisions, such as receiving a portion of a developer’s fees paid upfront so the district can begin the planning process for building a new school, which can take more than a year alone.

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But if the city grants approval to a housing development before the district has finished negotiating, the argument goes, the district loses its leverage.

The city isn't able to force developers to pay more than they're required by California law, nor can it condition approval of a project on an agreement for schools that goes beyond its state-mandated obligations, deputy city attorney Doug White said. Any issues with fee amounts should be taken to the state Legislature, he said.

"The city has strict legal requirements it operates under," White said. "It cannot require developers to pay more than their fair share."

Patterson school officials have accused the city of ushering in growth too quickly for the community to responsibly manage. Administrators, school board members, teachers and parents told The Bee they don't oppose growth in Patterson; they view it as inevitable. However, they fear the city will grow too quickly for infrastructure like schools to keep up.

"If we can get ourselves in sync," Alfano said, "the development can happen in a way that's responsible and accountable to our community."

Grayson Elementary School Principal Sandra Villaseñor, who is vice chair of the Patterson Education Advocacy Committee created in February, echoed these sentiments at the April 5 council meeting. "We are not against growth of our community, but believe it should be done responsibly," she said. "Four simultaneous development projects is not an example of responsible growth, and our entire community will pay the price in many ways if these projects continue as currently proposed."

White said growth projections actually fall short of those in the city's general plan. "There's nothing that we've done from a growth perspective that's exceeded any standard that we've set in place and planned for for over 10 years."

Adding residential development would help Patterson attract businesses, White said. The city wants to maximize its economic base and provide strong jobs for its residents, in addition to offering varying types of housing, he said.

"I think it's important that people understand that we have recently lost out on several significant multimillion-dollar-a-year tax opportunities because companies have decided not to locate because we don't quite have the local workforce or local housing to be able to support those businesses in a way that they've been meaningful," White said.

The pace of future building is difficult to predict because of uncertain economic factors, but White said Patterson has historically seen 150 to 250 homes built per year.

Finally, Menge and Alfano have said the city owes the school district \$12 million from the Villages of Patterson project.

"We've had ongoing conversations with the school district on the timing of when they would receive those funds, and we have set aside the amount of money that they requested," White said.

An email provided by White shows Menge agreeing to the city's proposed timeline in April, in which the school district would receive \$1 million pending approval of a funding agreement and

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the remainder of the funds down the road. However, Menge said the city later found out its proposal wouldn't work.

White said the city has never been told the proposals discussed would not work. The city has heard of the district's issues only through its public school board workshops, he said.

The differences between the school district and the city were on display at the City Council's April 5 meeting. Goldstein, the city attorney, said "conflicting information provided to the public" suggests the city is intentionally pushing the school district out of talks about development. "That is simply not true," she said.